



**CITY OF MORGAN HILL**

**CITY COUNCIL  
MORGAN HILL REDEVELOPMENT AGENCY**

**COUNCIL CHAMBERS**

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

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**COUNCIL MEMBERS**

Dennis Kennedy, Mayor  
Hedy L. Chang, Mayor Pro Tempore  
Cynthia J. Cook, Council Member  
Steve Tate, Council Member  
Greg Sellers, Council Member

**REDEVELOPMENT AGENCY**

Dennis Kennedy, Chairperson  
Cynthia J. Cook, Vice-Chairperson  
Hedy L. Chang, Agency Member  
Steve Tate, Agency Member  
Greg Sellers, Agency Member

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**AGENDA**

**JOINT MEETING**

**CITY COUNCIL SPECIAL & REGULAR MEETING**

**and**

**REDEVELOPMENT AGENCY SPECIAL MEETING**

*A Special Meeting is called for Wednesday, May 19, 1999 at 5:00 P.M.  
for the purpose of a Closed Session.*

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**Dennis Kennedy, Mayor/Chairperson**

**5:00 P.M.**

**CALL TO ORDER**

( Mayor/Chairperson Kennedy)

**ROLL CALL ATTENDANCE**

(City Clerk/Agency Secretary Torrez)

**DECLARATION OF POSTING OF AGENDA**

**Per Government Code 54954.2**  
(City Clerk/Agency Secretary Torrez)

## ***City Council/RDA action***

### **OPPORTUNITY FOR PUBLIC COMMENT**

#### **CLOSED SESSION:**

**1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

<b>Legal Authority:</b>	<b>Government Code Section 54956.9(c)</b>
<b>Title of Case:</b>	<b>Unspecified. Settlement negotiations are pending.</b>
<b>Parties:</b>	<b>Identification of parties to be named is under review.</b>
<b>Attorney:</b>	<b>Mark Strombotne, Strombotne Law Firm</b>
<b>Closed Session Topic:</b>	<b>Discuss anticipated litigation with counsel</b>

**2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

<b>Legal Authority:</b>	<b>Government Code Section 54956.9(a)</b>
<b>Title of Case:</b>	<b>Labrucherie v. City of Morgan Hill</b>
<b>Case Number:</b>	<b>Santa Clara County Superior Court CV749767</b>
<b>Parties:</b>	<b>Armand Labrucherie, City of Morgan Hill</b>
<b>Attorney:</b>	<b>Timothy Schmal, Burton Volkmann &amp; Schmal</b>
<b>Closed Session Topic:</b>	<b>Discuss existing litigation with counsel</b>

#### **CLOSED SESSION ANNOUNCEMENT:**

**7:00 P.M.**

#### **SILENT INVOCATION**

#### **PUBLIC SERVICE ANNOUNCEMENT**

Eric Hilding

#### **PLEDGE OF ALLEGIANCE**

#### **PROCLAMATIONS**

Mas Minami  
YMCA of Santa Clara Valley  
*Volunteer of the Year*

**CERTIFICATES OF RECOGNITION**

Jim Wright  
*Advisory Council of the Council On Aging of Santa Clara County*

**CITY COUNCIL REPORT**

Mayor Pro Tem/Agency Member Chang

**CITY MANAGER'S REPORT**

**NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA.**

(See notice attached to the end of this agenda.)

***City Council action***

**CONSENT CALENDAR:**

The Consent Calendar, Agenda Items #1 through #10 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

1. **APRIL FINANCE AND INVESTMENT REPORT** ..... 1  
**Recommended Action:** **Accept and file** report.
2. **APPOINTMENT TO THE ADVISORY COUNCIL OF THE COUNCIL ON AGING** ..... 29  
**Recommended Action:** 1) **Appoint** Ken Tougas as the City of Morgan Hill's representative to the Advisory Council of the Council On Aging of Santa Clara County and 2) **recognize** Jim Wright's service as the former representative to the Advisory Council of the Council On Aging.
3. **MOBILE HOME RENT COMMISSION** ..... 31  
**Recommended Action:** **Reappoint** Clifford Shores and Mark Moore to the Mobile Home Rent Commission for a two-year term.
4. **DEVELOPMENT IMPACT FEE INFLATIONARY AUTOMATIC INCREASE** ..... 37  
**Recommended Action:** 1) **Adopt** the attached Resolution rescinding Resolution #5201 and amending Resolution #4997 to adjust the Traffic Impact Mitigation Fee per the current Engineering News Record Construction Cost Index and 2) **adopt** the attached Resolution rescinding Resolution #5202 and amending Resolution #4930 by increasing the development impact fees per the current Engineering News Record Construction Cost Index.

5.	<b><u>REAPPORTIONMENT OF ASSESSMENTS - AMENDING PARCEL NO. 7 OF MORGAN HILL BUSINESS RANCH</u></b> . . . . .	45
	<b><u>Recommended Action:</u></b> 1) <b><u>Adopt</u></b> attached Resolution approving the amended assessment diagram and reapportioned assessments; 2) <b><u>approve</u></b> the Notice of Amended Assessment, giving public notice of the revised assessments for recordation with the County Recorder's Office; and 3) <b><u>approve</u></b> and <b><u>accept</u></b> the application to apportion special assessment submitted by the property owner - Morgan Hill Development Partners, L.P.	
6.	<b><u>INFORMATIONAL REPORT ON MEASURES TO ENHANCE SAFETY AND REDUCE GRAFFITI/VANDALISM AT COMMUNITY PARK</u></b> . . . . .	53
	<b><u>Recommended Action:</u></b> <b><u>Information</u></b> from various individuals.	
7.	<b><u>INTERIM COUNCIL SERVICES &amp; RECORDS MANAGER SERVICES</u></b> . . . . .	55
	<b><u>Recommended Action:</u></b> <b><u>Approve</u></b> a third amendment to the agreement for services with The Gaebler Group in the amount \$16,000 for interim Council Services and Records Management services.	
8.	<b><u>APPROVAL OF SPECIAL JOINT MEETING WITH PLANNING COMMISSION MINUTES OF APRIL 28, 1999</u></b> . . . . .	75
9.	<b><u>APPROVAL OF SPECIAL JOINT MEETING WITH MORGAN HILL WASTEWATER FACILITIES FINANCING CORPORATION ACTION MINUTES OF APRIL 28, 1999</u></b> . . . . .	77
10.	<b><u>APPROVAL OF SPECIAL JOINT MEETING WITH REDEVELOPMENT AGENCY MINUTES OF MAY 5, 1999</u></b> . . . . .	79

**LEGALLY NOTICED PUBLIC HEARINGS:**

11.	<b><u>DEVELOPMENT AGREEMENT AMENDMENT APPLICATION DAA-97-01: DEL MONTE - KAUFMAN &amp; BROAD</u></b> . . . . .	95
	<b><u>Recommended Action:</u></b> Request staff presentation. Public Hearing opened. Please limit your remarks to 3 minutes. Public Hearing closed. Council discussion.	
	Action-	<b><u>Motion to waive</u></b> the reading in full of the Ordinance approving the amendment to the project development agreement; <b><u>Motion to introduce</u></b> Ordinance by title only.
	Action-	<b><u>Motion to waive</u></b> the reading in full of the Ordinance approving the four new development agreements for the custom lots; <b><u>Motion to introduce</u></b> Ordinance by title only.

**OTHER BUSINESS:**

12. **WOOD SMOKE MODEL ORDINANCE** ..... 143  
**Recommended Action:** Direct staff to work with Planning Commission to draft appropriate ordinance for future consideration by the City Council.
13. **REQUEST FOR THE CITY TO CO-SPONSOR INDEPENDENCE INC. CELEBRATIONS** ..... 155  
**Recommended Action:** Approve the request to co-sponsor the Independence Day Inc. Celebrations with these provisions: A) City out-of-pocket expenses not to exceed \$8,000, B) City Police Chief maintains control over all public safety issues, C) City includes approved IDI events with its umbrella insurance carrier, D) Current funding agreement with IDI is terminated, E) IDI works out a compromise with the Church community regarding the scheduled parade, F) All event approvals must be obtained by IDI at least 30 days prior to the event and G) Authorize the City Manager to complete negotiations with IDI and bring back agreement for final Council action.
14. **MASTER PLAN FOR PARKS, FACILITIES & RECREATION PROGRAMMING** ..... 161  
**Recommended Action:** 1) Appropriate \$55,000 from the General fund unappropriated fund balance to fund the Facilities and Recreation Programming sections of the Master Plan and 2) direct staff to move forward with a Request for Proposal (RFP) for preparation of a Master Plan for Parks, Facilities and Recreation Programming.
15. **BEAR CREEK REDWOODS REGIONAL PRESERVE** ..... 163  
**Recommended Action:** Adopt Resolution 5281 in support of Bear Creek Redwoods Regional Preserve.

***RDA action***

**OTHER BUSINESS:**

16. **REQUEST TO APPROVE LOAN AGREEMENT AND RELATED LOAN DOCUMENTS WITH DON AVANTE ASSOCIATES II, L.P. FOR THE VILLAGE AVANTE APARTMENTS ACQUISITION AND REHABILITATION PROJECT** ..... 171  
**Recommended Action:** 1) Approve the Loan Agreement in the amount of \$1,540,000 and related loan documents with Don Avante Associates II, L.P. for the Village Avante Apartments acquisition and rehabilitation project (Attachment 1), 2) approve the Administration Agreement with the County of Santa Clara for monitoring compliance with the Regulatory Agreement and Declaration of Restrictive Covenants for the County of Santa Clara, pertaining to the rental restrictions for Village Avante Apartments (Attachment 2) and 3) authorize the Executive Director to do everything necessary to execute the documents required to finalize the loan transaction, including making modifications to the form of the documents and changes to the structure of the transaction, but only so long as the loan amount and repayment terms are not modified in a material fashion.

17. **MORGAN HILL SPORTS AND ATHLETIC PARK CONCEPT** ..... 175  
**Recommended Action:** **Direct** staff to: 1) further explore the feasibility of Quantum Sport Parks developing a Morgan Hill Sports and Athletic Park and 2) bring the concept to the Parks and Recreation Commission for review and comment.

## ***City Council action***

### **SECOND READING OF ORDINANCES:**

Full Reading Waived By Majority Vote. (Government Code Section 36934)  
**Action -- Adopt** Ordinance by roll call vote.

18. **SECOND READING AND ADOPTION OF ORDINANCE NO. 1430, NEW SERIES** ..... 205  
An Ordinance of the City Council of the City of Morgan Hill amending a Development Agreement to provide for an exception to Loss of Building Allocation for Application MP-96-19: Watsonville-Syncon Homes (formerly Old Orchard Builders) (APN 767-23-021).

### **FUTURE COUNCIL-INITIATED AGENDA ITEMS:**

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

### **ADJOURN TO CLOSED SESSION:**

#### **OPPORTUNITY FOR PUBLIC COMMENT**

### **CLOSED SESSION:**

1. Pursuant to Government Code 54957  
Public Employee Performance Evaluation: City Attorney

### **CLOSED SESSION ANNOUNCEMENT:**

### **ADJOURNMENT**

### **FUTURE COUNCIL AGENDA ITEMS:**

- 1) City of Morgan Hill Budget Adoption
- 2) Award Contract for the Rehabilitation of the Ballfields at Community Park
- 3) Public Meeting for Fox Hollow/Murphy Springs Lighting & Landscaping District